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RUEHBY/AMEMBASSY CANBERRA PRIORITY 1037
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1317
RUEHUL/AMEMBASSY SEOUL PRIORITY 4139
RUEHWL/AMEMBASSY WELLINGTON PRIORITY 1673
RUCPDO/DEPT OF COMMERCE WASHDC
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C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 002321

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TAGS: [PREL](#) [ECON](#) [UNSC](#) [ETRD](#) [ID](#) [JA](#)
SUBJECT: PM ABE VISIT AMPLIFIES POSITIVE TONE OF
JAPANESE-INDONESIAN RELATIONS

Classified By: Pol/C Joseph Legend Novak for reasons 1.4 (b)(d).

11. (C) Summary: PM Shinzo Abe and President Yudhoyono signed an Economic Partnership Agreement and issued a Joint Statement on Climate Change during Abe's recent visit. Abe appealed unsuccessfully for Yudhoyono's open support of Japan's campaign for a permanent seat on the UNSC and its bid to succeed Indonesia in a rotational seat in 2009. The visit further enhanced the positive tone of Japanese-Indonesian relations. The matter of Abe's political standing back in Japan apparently did not impact the trip, although one Japanese Embassy contact told Pol/C that Abe was distracted and spent a lot of time focused on domestic politics during breaks between meetings. End Summary.

Focus: Economic Cooperation

12. (SBU) Japanese Prime Minister Abe met with Indonesian President Yudhoyono during Abe's August 19-21 visit to Jakarta. The visit had a largely economic focus, yielding an Economic Partnership Agreement (EPA) which included provisions enhancing free trade and general economic cooperation. This agreement, which took several years to negotiate, was the highlight of the trip and received the most press coverage.

Statement on Climate Change

13. (SBU) Abe and Yudhoyono also issued a Joint Statement on Enhancement of Cooperation on Climate Change, Environment and Energy. During his meeting with Yudhoyono, Abe also explained details of his "Cool Earth 50" proposal. Yudhoyono expressed support for the proposal, and said Indonesia would work closely with Japan on this and other issues at the upcoming Council of Parties (COP13) meeting regarding climate change, which Indonesia will host in Bali in December. Yudhoyono encouraged Abe to present his proposal personally at that meeting.

UN Reform, N. Korea, Piracy

14. (C) Other items of note:

-- UN Reform: Abe sought to firm up previous Indonesian indications of support for Japan's campaign for a permanent seat on the UN Security Council through the G-4 Initiative (Japan's joint effort with Brazil, Germany and India). Yudhoyono was non-committal, noting that Japan qualified as a potential candidate, but advising that the question be considered in the context of overall UN reform. Yudhoyono also demurred regarding Japan's bid to assume in 2009 the non-permanent UNSC seat currently occupied by Indonesia for the Asia region. (Note: Our Japanese contacts noted parenthetically that Iran was competing for the same seat.)

-- North Korea: Abe elicited Yudhoyono's support for a timely resolution of the North Korea nuclear issue and the denuclearization of the Korean Peninsula. Abe also requested Indonesian help in resolving Japan's long-standing dispute with North Korea over that country's abduction of Japanese citizens during the Cold War. Yudhoyono said Indonesia would do "whatever it could" on these two issues, but offered no concrete steps.

-- Piracy: Abe reiterated previous Japanese appeals for Indonesia to support international efforts to increase security in the Malacca Strait and other key waterways by joining the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP). Indonesia and Malaysia were the only major Southeast Asian countries not to have signed the agreement. Yudhoyono agreed on the importance of ensuring safe passage through the Strait but gave no indication Indonesia was prepared to join the agreement. (Note: Japanese Embassy contacts noted to us Japan was in the process of procuring three patrol boats for the Indonesian marine police to help the GOI better monitor

JAKARTA 00002321 002 OF 002

national and international waterways.)

-- 50 Years: The two sides agreed to designate 2008 as the Year of Friendship between Japan and Indonesia, marking 50 years of diplomatic relations.

A Positive Tone

15. (C) Japanese-Indonesian relations traditionally have been excellent and Abe's visit reinforced that tone. The Indonesians are optimistic that the Economic Partnership Agreement will reap big rewards in terms of investment, although many observers question that assessment. Japanese contacts tell us this will take some time and require a general improvement of the investment climate. The matter of Abe's political standing back in Japan apparently did not impact the trip, although one Japanese Embassy contact told Pol/C that the PM spent a lot of time focused on domestic politics during breaks between meetings.

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